



## **EMPLOYMENT FIRST COMMITTEE**

### **NOTICE/AGENDA**

Posted at [www.scdd.ca.gov](http://www.scdd.ca.gov)

**DATE:** March 11, 2014

**TIME:** 10:30 AM - 4:00 PM

**LOCATION:** Red Lion Hotel Woodlake  
Conference Center, Pavilion Room  
500 Leisure Lane  
Sacramento, CA 95815  
Phone Number: **(916) 922-2020**

*Pursuant to Government code Sections 11123.1 and 11125(f), individuals with disabilities who require accessible alternative formats of the agenda and related meeting materials and/or auxiliary aids/services to participate in this meeting should contact Michael Brett at (916) 322-8481 or email [michael.brett@scdd.ca.gov](mailto:michael.brett@scdd.ca.gov). Requests must be received by 5:00 pm March 5, 2014.*

### **AGENDA**

- |   |           |    |
|---|-----------|----|
| <b>1. CALL TO ORDER</b>                   | K. Weller |    |
| <b>2. WELCOME/INTRODUCTIONS</b>           | K. Weller |    |
| <b>3. ESTABLISH A QUORUM</b>              | K. Weller |    |
| <b>4. APPROVAL OF MINUTES: 12/17/2013</b> | K. Weller | 03 |
| <b>5. PUBLIC COMMENTS</b>                 |           |    |

*This item is for members of the public to comment and/or present information to the Council. Each person will be afforded up to three minutes to speak. Written requests, if any, will be considered first. The Council will also provide a public comment period, not to exceed a total of seven minutes, for public comment prior to action on each agenda item.*

<b>6. REPORT ON CECY ACTIVITIES AND POLICY REPORT FOR DD SYSTEM</b>	O. Raynor	
<b>7. EMPLOYMENT LEGISLATION</b>	M. Polit	
a. SB 577 (Pavley)		09
b. AB 1626 (Maienschein)		20
c. SB 1109 (Hueso)		23
<b>8. SHELTERED WORK and SUBMINIMUM WAGE</b>	M. Kennedy	25
<b>LUNCH</b>	M. Polit	
<b>9. EDUCATION PANEL</b>	M. Polit	
(Jill Larson, DOR; Geri Fuchigami, LAUSD; Blain Cowick, Alameda Mid-County SELPA; Patti Shetter, UC Davis MIND Institute; Sue Sawyer, California Transition Alliance)		
<b>10. PLAN FOR NEXT MEETINGS</b>	M. Polit	
<b>11. ADJOURNMENT</b>	K. Weller	

For additional information regarding this agenda, please contact Michael Brett,  
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## **Employment First Committee**

Draft Meeting Minutes of December 17, 2013

Sacramento, California

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### **MEMBERS PRESENT**

Tony Anderson  
Lisa Cooley  
Denyse Curtright  
Dale Dutton  
Rick Hodgkins  
Connie Lapin  
Bill Moore  
Andrew Mudryk  
David Mulvey  
Olivia Raynor  
Steve Ruder  
Rachel Stewart  
Kecia Weller (Chair)  
Amy Westling  
Barbara Wheeler

### **OTHERS PRESENT**

Molly Kennedy, Council Member Guest  
Bob Phillips, Area Board 4 Executive Director  
Mark Polit, (Staff)  
Mary Agnes Nolan (Staff)  
Michael Brett (Staff)  
Sherry Beamer  
Nancy Dow (Staff)

### **MEMBERS ABSENT**

Daniel Boomer  
Kathleen Derby  
David Mayer  
Debbie Sarmento  
Robert Taylor

### **1. CALL TO ORDER**

Kecia Weller, Chair, called the meeting to order at 10:30am

### **2. WELCOME/INTRODUCTIONS**

Members and guests introduced themselves

### **3. ESTABLISHMENT OF QUORUM**

A quorum was established

#### **4. APPROVAL OF MINUTES**

Dale Dutton Moved and Lisa Cooley seconded to approve the minutes of April 30, 2013. The motion carried 11-0-3.

Olivia Raynor moved and Dale Dutton seconded to approve the minutes of June 19, 2013. The motion carried 10-0-4.

#### **5. PUBLIC COMMENTS**

Dale Dutton reported on the Golden Gate Regional Center Employment First Policy and activities with the local provider community to increase integrated employment options in the GGRC area, including data collection on employment outcomes.

#### **6. DOR PROMISE GRANT**

Bill Moore, who is the representative from Department of Rehabilitation, presented to the EFC on the Promise Grant. This is a family intervention grant that works with both the students and their families. The U.S. Department of Education is awarding \$211 million (\$50 million to California) in a five year grant cycle to five states which is intended to increase employment of youth on Supplemental Security Income (SSI), in an effort to reduce their reliance on SSI. The grant targets the counties with the largest concentration of SSI recipients. It plans to include 3,078 students on SSI, age 14-16, which is one out of every seven students in that age range on SSI. Roughly 30-40% of the students in the grant will be regional center eligible.

The grant addresses major barriers to employment, including low expectations, lack of access to employment supports, gaps in school based services, and lack of benefit planning. Connie Lapin, family advocate, went onto say that she feels this is a challenge for herself and other parents, because a mistake could lead to loss of public benefits. Dr. Barbara Wheeler, UCEDD of the Children's Hospital in Los Angeles, commented that this is going in a positive direction and it has a state of art approach. Steve Ruder, of the MIND CEDD, went onto say that it is a good benefit, however, the Regional Centers don't refer their clients to employment services. Rachel Stewart, California Committee on Employment of People with Disabilities asked what success would look like. She also discussed CCEPD's focus on the healthcare industry, as it is the fastest growing segment of the California economy.

## **7. NATIONAL GOVERNORS ASSOCIATION REPORT PRIORITIES FOR CALIFORNIA**

Mark Polit, presented the Blueprint for Governors, Employing People with Disabilities which is the 2012-2013 Chair's Initiative by the National Governors Association. Mark continued to explain the article by looking at the strategies of this report. On page 31, it goes into the 5 areas for action on advancing employment outcomes. Mark said that this report is useful because it has national credibility. These Five Areas for State Action to Advance Employment Outcomes are as follows:

- Making disability employment part of the state workforce development strategy
- Finding and supporting businesses in their efforts to employ people with disabilities
- Being a model employer by increasing the number of people with disabilities working in state government
- Preparing youth with disabilities for careers that use their full potential, providing employers a pipeline of skilled workers
- Making the best use of limited resources to advance employment opportunities for people with disabilities

Dr. Olivia Raynor, UCLA UCEDD mentioned that California did take part in this and the department was there on Gov. Brown's behalf. There is momentum building for a summit in California on the topic.

Molly Kennedy, State Council member/Advocate, said that the government association on employment has a whole program with different CEOs from different organizations.

Rachel Steward also stated that she is looking at these five areas to align their strategies. On May 7<sup>th</sup> she will attend a joint meeting with the National Council (NCD) looking at regulations that came out of section 503 within federal contractors. The question is how to meet employer needs for qualified workers with disabilities.

Molly Kennedy pointed out that the document does not directly address people with developmental disabilities. Mark responded that these are unique issues that need to be addressed. The EFC can identify ideas from this report that we can use.

Mark encouraged members to think of what Blueprint recommendations we can leverage and bring it to the governor or engage our departments within the committee.

Amy Westling, ARCA, brought to the table that we really need to raise expectations for students in early education. Connie Lapin concurred. Lisa Cooley suggested assistance in navigating the benefits system.

## **8. EMPLOYMENT DATA DASHBOARD**

Mark Polit and Denyse Curtright, Department of Developmental Services, gave the briefing on this important tool for tracking California's progress in supporting people with IDD in integrated employment. It uses the key indicators of currently available data, which eventually will be on the SCCD website.

Various members of the EFC wanted more information than presented or available. For example, wages earned in sheltered workshops, numbers making sub minimum wages, breakouts by regional center.

Dr. Wheeler also stated that there should be breakouts of data by race and ethnicity. It was stated that DDS is working with EDD to gain access to data that would allow those breakouts.

Rick feels that we also need figures from group studies and sheltered workshop data that are by age group. Good places to get this important data are from providers.

Connie stated that her son has more challenges and it's hard for him to work in these programs. However, this dashboard should look at the full array including the people with severe disabilities.

Dr. Raynor went on to explain the importance of the dash board to track changes over time for the target group.

## **9. UPDATE ON EMPLOYMENT LEGISLATION**

Mark reported on the Council's support letter for the proposed Career Access Pilot Projects which was sent to Senator Harkin and Obama Administration officials on December 12, 2013.

The Committee celebrated the passage of the Employment First Policy, which was recommended to the state by the EFC. Mark also noted that Self-Determination was signed into law, which will make funding of employment supports more flexible and empower more people to get the supports they need to get integrated competitive work.



Dale Dutton, who is a family advocate, mentioned that it is an ongoing responsibility of the EFC to push for implementation of the policy and work with departments and others on how it should be implemented. It is also important that we reach out to the Regional Centers regarding implementation and use the EFC annual report to identify barriers to implementation. Tony discussed coordinating with schools on transition and the secondary transition community of practice. Olivia discussed the very successful transition institute that had over 1,000 attendees. She said the policy must be widely disseminated, because most people were not aware of it.

Mark's next item of discussion was to talk about what should go into the brochure. Several members gave input. Dale, Amy, Lisa, and David Mulvey volunteered to help with brochure development. Tony suggested working with DDS on a guidance letter to the regional centers.

Ideas for policy implementation included:

- Dr. Raynor said that we do not have time to wait until the next quarter. The EFC Committee's work started once the bill was signed.
- Meetings with the departments on implementation.
- The timeline should be done within the next few months and it should be based
- Dr. Wheeler expressed that it has to be more than a value statement and there should be a working group between meetings
- Involvement of education.

## **10. CECY POLICY COMMITTEE REPORT**

Andrew Mudryk, Disability Rights California, and Dr. Raynor have been working on this grant on IDD for the past two years on the policy piece which is broken down into 5 areas. The policy briefs will cover the following systems: developmental services, rehabilitation, employment development, education, and crossover of the systems. The DD system brief will be ready soon and presented to the EFC.

## **11. SHELTERED WORK AND SUBMINIMUM WAGE**

Molly Kennedy, Council Member, began her presentation stating that this program is under a nationwide review and more states are coming up with policies to phase out sheltered workshops.

In the late 1990's, Vermont initiated a plan to phase out sheltered work and now has only integrated employment.

In Oregon the Department of Justice intervened in a lawsuit with a finding that sheltered work is subject to the integration mandate of the ADA. In response, the Governor issued an Executive Order putting significant limits on admissions to sheltered workshops. This is based on having jobs that are tailored towards the person.

Massachusetts issued a blueprint for moving away from the sheltered workshops and is getting involved with families along with educators and training. New York, under pressure from CMS, is planning to phase out sheltered work in three years.

The committee decided that at the March EFC meeting, they would discuss both sheltered work and subminimum wage and see if there was agreement on a position to recommend to the Council.

#### **12. PLAN FOR EDUCATION PANEL**

The Committee made recommendations for the education panel at the next EFC meeting.

#### **13. PLAN FOR NEXT MEETINGS**

The March 11 meeting would include the education panel and the subminimum wage and sheltered work discussions. The committee will continue to work on implementation of the new Employment First Policy.

#### **14. ADJOURNMENT**

The meeting adjourned at 3:59 PM. Next meeting is set for March 11, 2014 from 10:30 AM – 4:00 PM.



AMENDED IN SENATE JANUARY 6, 2014

AMENDED IN SENATE APRIL 15, 2013

AMENDED IN SENATE APRIL 9, 2013

**SENATE BILL**

**No. 577**

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**Introduced by Senator Pavley**

February 22, 2013

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An act to amend Sections 4850, 4851, 4854, and 4860 ~~of, to add Section 4868.5 to, and to add and repeal Section 4870 of,~~ of the Welfare and Institutions Code, relating to developmental disabilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 577, as amended, Pavley. Autism and other developmental disabilities: ~~pilot program~~ employment.

The Lanterman Developmental Disabilities Services Act authorizes the State Department of Developmental Services to contract with regional centers to provide services and support to individuals with developmental disabilities, including autism. Existing law governs the habilitation services provided for adult consumers of regional centers, including work activity programs, as described, and establishes an hourly rate for supported employment services provided to consumers receiving individualized services.

This bill would require *the development and semiannual review of a job exploration and discovery plan, as specified, to be developed if job exploration and discovery if community-based prevocational services* are determined to be a necessary step to achieve a supported employment outcome. The bill would establish an hourly rate for ~~job exploration and discovery~~ *community-based prevocational services* of \$40 per hour

for a maximum of 75 hours per calendar quarter for all services identified and provided in the plan.

~~This bill would require the State Department of Developmental Services to establish a pilot program for young adults with autism and other developmental disabilities to help them find pathways to financial independence through work. The bill would require the pilot program to develop and implement a new model for providing employment services to these individuals and to create financial incentives for employment service providers, as specified, among other requirements.~~

~~The bill would also establish, until July 1, 2018, a pilot program operative in specified regional centers, pursuant to which the State Department of Developmental Services would be authorized to allocate moneys for the support of programs provided by the participating regional centers to promote the employment of persons with autism and developmental disabilities. The bill would require the State Department of Developmental Services and the Department of Finance to establish, on or before July 1, 2014, the Employment Growth Fund for these purposes, as specified. The fund would consist of moneys appropriated by the Legislature from cost savings resulting from the reduced amount of support payments made to persons with autism and developmental disabilities who earn wages from gainful employment attained as a result of their participation in the pilot program, as specified. The bill would impose specified duties on the State Department of Developmental Services relating to the pilot program, including preparing an annual report and designing and implementing an evaluation of the pilot program, as specified.~~

The bill would also set forth related legislative findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~-no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Individuals with developmental disabilities have to struggle
- 4 to find gainful employment. Unemployment amongst the
- 5 developmentally disabled population is approximately 80 percent.
- 6 (b) Within the developmentally disabled community, autism is
- 7 the fastest growing population, making up approximately 50

1 percent of the annual new caseload of regional centers in some  
2 parts of the state.

3 (c) One in three adults with autism do not have paid work  
4 experience or a college or technical education seven years after  
5 leaving the K-12 school system.

6 (d) In order to increase the self-sufficiency of young adults with  
7 autism and other developmental disabilities, including increased  
8 earning capacity and reduced government benefit support, it is  
9 important that the state implement a program to provide  
10 individualized skills assessment, social cue training, and specific  
11 support to ensure their academic and employment success.

12 (e) The Governor and the Legislature must address the growing  
13 need for new models of assessment, career training, and expanding  
14 employment opportunities and support options for young adults  
15 with autism and other developmental disabilities between 18 and  
16 30 years of age. If this population is left without purposefully  
17 designed pathways into employment, these young adults will  
18 remain at high risk of public dependency throughout the course  
19 of their lives.

20 SEC. 2. Section 4850 of the Welfare and Institutions Code is  
21 amended to read:

22 4850. (a) The Legislature reaffirms its intent that habilitation  
23 services for adults with developmental disabilities should be  
24 planned and provided as a part of a continuum and that habilitation  
25 services should be available to enable persons with developmental  
26 disabilities to approximate the pattern of everyday living available  
27 to nondisabled people of the same age.

28 (b) The Legislature further intends that habilitation services  
29 shall be provided to adults with developmental disabilities as  
30 specified in this chapter in order to guarantee the rights stated in  
31 Section 4502.

32 (c) The Legislature further intends that in order to increase  
33 effectiveness and opportunity to gain meaningful employment  
34 opportunities, habilitation services shall also provide—~~job~~  
35 ~~exploration and discovery~~ *community-based prevocational* services  
36 ~~to enhance and promote jobs skills, community employment~~  
37 ~~readiness, develop social skills necessary for successful community~~  
38 ~~employment, and provide targeted outreach to employers build a~~  
39 ~~network of community and employment opportunities for~~  
40 individuals with developmental disabilities.

1 SEC. 3. Section 4851 of the Welfare and Institutions Code is  
2 amended to read:

3 4851. The definitions contained in this chapter shall govern  
4 the construction of this chapter, with respect to habilitation services  
5 provided through the regional center, and unless the context  
6 requires otherwise, the following terms shall have the following  
7 meanings:

8 (a) "Habilitation services" means community-based services  
9 purchased or provided for adults with developmental disabilities,  
10 including services provided under the Work Activity Program and  
11 the Supported Employment Program, to prepare and maintain them  
12 at their highest level of vocational functioning, or to prepare them  
13 for referral to vocational rehabilitation services.

14 (b) "Individual program plan" means the overall plan developed  
15 by a regional center pursuant to Section 4646.

16 (c) "Individual habilitation service plan" means the service plan  
17 developed by the habilitation service vendor to meet employment  
18 goals in the individual program plan.

19 (d) "Department" means the State Department of Developmental  
20 Services.

21 (e) "Work activity program" includes, but is not limited to,  
22 sheltered workshops or work activity centers, or community-based  
23 work activity programs certified pursuant to subdivision (f) or  
24 accredited by CARF, the Rehabilitation Accreditation Commission.

25 (f) "Certification" means certification procedures developed by  
26 the Department of Rehabilitation.

27 (g) "Work activity program day" means the period of time  
28 during which a Work Activity Program provides services to  
29 consumers.

30 (h) "Full day of service" means, for purposes of billing, a day  
31 in which the consumer attends a minimum of the declared and  
32 approved work activity program day, less 30 minutes, excluding  
33 the lunch period.

34 (i) "Half day of service" means, for purposes of billing, any day  
35 in which the consumer's attendance does not meet the criteria for  
36 billing for a full day of service as defined in subdivision (g), and  
37 the consumer attends the work activity program not less than two  
38 hours, excluding the lunch period.

39 (j) "Supported employment program" means a program that  
40 meets the requirements of subdivisions (n) to (s), inclusive.

1 (k) "Consumer" means any adult who receives services  
2 purchased under this chapter.

3 (l) "Accreditation" means a determination of compliance with  
4 the set of standards appropriate to the delivery of services by a  
5 work activity program or supported employment program,  
6 developed by CARF, the Rehabilitation Accreditation Commission,  
7 and applied by the commission or the department.

8 (m) "CARF" means CARF the Rehabilitation Accreditation  
9 Commission.

10 (n) "Supported employment" means paid work that is integrated  
11 in the community for individuals with developmental disabilities.

12 (o) "Integrated work" means the engagement of an employee  
13 with a disability in work in a setting typically found in the  
14 community in which individuals interact with individuals without  
15 disabilities other than those who are providing services to those  
16 individuals, to the same extent that individuals without disabilities  
17 in comparable positions interact with other persons.

18 (p) "Supported employment placement" means the employment  
19 of an individual with a developmental disability by an employer  
20 in the community, directly or through contract with a supported  
21 employment program. This includes provision of ongoing support  
22 services necessary for the individual to retain employment.

23 (q) "Allowable supported employment services" means the  
24 services approved in the individual program plan and specified in  
25 the individual habilitation service plan for the purpose of achieving  
26 supported employment as an outcome, and may include any of the  
27 following:

28 (1) Job development, to the extent authorized by the regional  
29 center.

30 (2) Program staff time for conducting job analysis of supported  
31 employment opportunities for a specific consumer.

32 (3) Program staff time for the direct supervision or training of  
33 a consumer or consumers while they engage in integrated work  
34 unless other arrangements for consumer supervision, including,  
35 but not limited to, employer supervision reimbursed by the  
36 supported employment program, are approved by the regional  
37 center.

38 (4) Community-based training in adaptive functional and social  
39 skills necessary to ensure job adjustment and retention.

1 (5) Counseling with a consumer's significant other to ensure  
2 support of a consumer in job adjustment.

3 (6) Advocacy or intervention on behalf of a consumer to resolve  
4 problems affecting the consumer's work adjustment or retention.

5 (7) Ongoing support services needed to ensure the consumer's  
6 retention of the job.

7 (r) "Group services" means job coaching in a group supported  
8 employment placement at a job coach-to-consumer ratio of not  
9 less than one-to-three nor more than one-to-eight where services  
10 to a minimum of three consumers are funded by the regional center  
11 or the Department of Rehabilitation. For consumers receiving  
12 group services, ongoing support services shall be limited to job  
13 coaching and shall be provided at the worksite.

14 (s) "Individualized services" means job coaching and other  
15 supported employment services for regional center-funded  
16 consumers in a supported employment placement at a job  
17 coach-to-consumer ratio of one-to-one, and that decrease over time  
18 until stabilization is achieved. Individualized services may be  
19 provided on or off the jobsite.

20 (t) ~~"Job exploration and discovery"~~ *"Community-based*  
21 *prevocational services"* means (1) services provided to enhance  
22 *community* employment readiness, *which may include the use of*  
23 *discovery and job exploration opportunities*, (2) social skill  
24 development services necessary to obtain and maintain *community*  
25 employment ~~and to secure and support participation in~~, (3) *services*  
26 *to use* internship, *apprenticeship*, and volunteer opportunities *to*  
27 *provide community-based prevocational skills development*  
28 *opportunities*, ~~(3)~~ (4) services to access and participate in  
29 postsecondary education or career technical education, ~~(4)~~ *services*  
30 *to develop resume and interview skills, and (5) services to conduct*  
31 *targeted employer outreach to secure employment and (5) building*  
32 *a network of community and employment opportunities.*

33 SEC. 4. Section 4854 of the Welfare and Institutions Code is  
34 amended to read:

35 4854. (a) In developing the individual habilitation service plan  
36 pursuant to Section 4853, the habilitation service provider shall  
37 develop specific and measurable objectives to determine whether  
38 the consumer demonstrates ability to reach or maintain individual  
39 employment goals in all of the following areas:

40 (1) Participation in paid work for a specified period of time.

- 1 (2) Obtaining or sustaining a specified productivity rate.
- 2 (3) Obtaining or sustaining a specified attendance level.
- 3 (4) Demonstration of appropriate behavior for a work setting.
- 4 (b) ~~If job exploration and discovery~~ *community-based*
- 5 *prevocational* services are determined to be a necessary step to
- 6 achieve a supported employment outcome, ~~a job exploration and~~
- 7 ~~discovery~~ *plan shall be developed. developed and may include,*
- 8 *but is not limited to, all of the following:*
- 9 (1) *An inventory of potential employment interests.*
- 10 (2) *Preferences for types of work environments or situations.*
- 11 (3) *Identification of any training or education needed for the*
- 12 *consumer's desired job.*
- 13 (4) *Opportunities to explore jobs or self-employment as a means*
- 14 *to meet the consumer's desired employment outcome.*
- 15 (5) *Identification of any personal or family networks the*
- 16 *consumer may use to achieve his or her desired employment*
- 17 *outcomes.*
- 18 (c) *The habilitation service provider and the regional center*
- 19 *shall review the plan developed pursuant to subdivision (b)*
- 20 *semiannually to document progress towards objectives, additional*
- 21 *barriers, and other changes that impact the consumer's desired*
- 22 *employment outcome.*
- 23 SEC. 5. Section 4860 of the Welfare and Institutions Code is
- 24 amended to read:
- 25 4860. (a) (1) The hourly rate for supported employment
- 26 services provided to consumers receiving individualized services
- 27 shall be thirty dollars and eighty-two cents (\$30.82).
- 28 (2) Job coach hours spent in travel to consumer worksites may
- 29 be reimbursable for individualized services only when the job
- 30 coach travels from the vendor's headquarters to the consumer's
- 31 worksite or from one consumer's worksite to another, and only
- 32 when the travel is one way.
- 33 (b) The hourly rate for group services shall be thirty dollars and
- 34 eighty-two cents (\$30.82), regardless of the number of consumers
- 35 served in the group. Consumers in a group shall be scheduled to
- 36 start and end work at the same time, unless an exception that takes
- 37 into consideration the consumer's compensated work schedule is
- 38 approved in advance by the regional center. The department, in
- 39 consultation with stakeholders, shall adopt regulations to define
- 40 the appropriate grounds for granting these exceptions. When the



1 number of consumers in a supported employment placement group  
2 drops to fewer than the minimum required in subdivision (r) of  
3 Section 4851, the regional center may terminate funding for the  
4 group services in that group, unless, within 90 days, the program  
5 provider adds one or more regional centers, or Department of  
6 Rehabilitation-funded supported employment consumers to the  
7 group.

8 (c) Job coaching hours for group services shall be allocated on  
9 a prorated basis between a regional center and the Department of  
10 Rehabilitation when regional center and Department of  
11 Rehabilitation consumers are served in the same group.

12 (d) When Section 4855 applies, fees shall be authorized for the  
13 following:

14 (1) A three-hundred-sixty-dollar (\$360) fee shall be paid to the  
15 program provider upon intake of a consumer into a supported  
16 employment program. No fee shall be paid if that consumer  
17 completed a supported employment intake process with that same  
18 supported employment program within the previous 12 months.

19 (2) A seven-hundred-twenty-dollar (\$720) fee shall be paid  
20 upon placement of a consumer in an integrated job, except that no  
21 fee shall be paid if that consumer is placed with another consumer  
22 or consumers assigned to the same job coach during the same hours  
23 of employment.

24 (3) A seven-hundred-twenty-dollar (\$720) fee shall be paid after  
25 a 90-day retention of a consumer in a job, except that no fee shall  
26 be paid if that consumer has been placed with another consumer  
27 or consumers, assigned to the same job coach during the same  
28 hours of employment.

29 (e) The hourly rate for ~~job exploration and discovery~~  
30 *community-based prevocational* services shall be forty dollars  
31 (\$40) per hour for a maximum of 75 hours per calendar quarter  
32 for all services identified and provided in the ~~job exploration and~~  
33 ~~discovery~~ *community-based prevocational* plan as developed  
34 pursuant to subdivision (b) of Section 4854.

35 (f) Notwithstanding paragraph (4) of subdivision (a) of Section  
36 4648, the regional center shall pay the supported employment  
37 program rates established by this section.

38 ~~SEC. 6. Section 4868.5 is added to the Welfare and Institutions~~  
39 ~~Code, to read:~~

1     ~~4868.5. (a) The State Department of Developmental Services~~  
2 ~~shall establish a pilot program for young adults with autism and~~  
3 ~~other developmental disabilities to help them find pathways to~~  
4 ~~financial independence through work. The program shall be~~  
5 ~~developed and implemented to assist those individuals to obtain~~  
6 ~~integrated employment outcomes that result in sufficient wages~~  
7 ~~and benefits in order to decrease, over time, their dependency on~~  
8 ~~public financial support.~~

9     ~~(b) The pilot program described in subdivision (a) shall do all~~  
10 ~~of the following:~~

11     ~~(1) Develop and implement a new model for providing~~  
12 ~~employment services to autistic individuals and individuals with~~  
13 ~~other developmental disabilities or modify an existing model for~~  
14 ~~providing those services.~~

15     ~~(2) Identify existing support services that may be modified or~~  
16 ~~combined with supplemental services to provide skills assessment,~~  
17 ~~training, and transition services.~~

18     ~~(3) Utilize available federal and state incentive programs.~~

19     ~~(4) Create financial incentives for employment service providers~~  
20 ~~who assist the individuals served by the pilot program to become~~  
21 ~~successfully employed in jobs that pay wages that equal or exceed~~  
22 ~~the Social Security Administration's substantial gainful activity~~  
23 ~~level or result in the individual obtaining employer-based health~~  
24 ~~benefits.~~

25     ~~(5) Develop and implement a protocol for collecting and~~  
26 ~~evaluating data regarding the outcomes of autistic individuals and~~  
27 ~~individuals with other developmental disabilities who participate~~  
28 ~~in the pilot program.~~

29     ~~SEC. 7. Section 4870 is added to the Welfare and Institutions~~  
30 ~~Code, to read:~~

31     ~~4870. (a) There is hereby established a pilot program in the~~  
32 ~~following regional centers: Golden Gate Regional Center, East~~  
33 ~~Bay Regional Center, Alta California Regional Center,~~  
34 ~~Tri-Counties Regional Center, Orange County Regional Center,~~  
35 ~~and San Diego Regional Center. If additional regional centers~~  
36 ~~express interest in participating in the pilot program pursuant to~~  
37 ~~this section, the department may approve up to two additional~~  
38 ~~regional centers.~~

39     ~~(b) The pilot program shall include all of the following:~~

1 (1) The State Department of Developmental Services and the  
2 Department of Finance shall establish, on or before July 1, 2014,  
3 the Employment Growth Fund for purposes of the pilot project.  
4 The fund shall consist of moneys appropriated by the Legislature  
5 for purposes of this section from cost savings resulting from the  
6 reduced amount of support payments made to persons with autism  
7 and other developmental disabilities who earn wages from gainful  
8 employment attained as a result of their participation in the pilot  
9 program, as follows:

10 (A) The sum of two hundred dollars (\$200) shall be allocated  
11 to the fund from funds payable to the State Department of Health  
12 Care Services pursuant to the Medi-Cal program to the extent  
13 authorized by federal law for each Medi-Cal eligible consumer of  
14 regional center services for each month that he or she is enrolled  
15 in an employer-paid health benefit plan.

16 (B) The sum of one thousand dollars (\$1,000) shall be allocated  
17 to the fund from the Department of Rehabilitation, for each  
18 consumer of regional center services who earns a monthly wage  
19 that exceeds the substantial gainful activity level, as established  
20 by the federal Social Security Administration, for at least nine  
21 consecutive months if the Department of Rehabilitation has  
22 received cost reimbursement in that amount from the federal  
23 government pursuant to the federal Ticket to Work program. This  
24 sum shall be allocated on a one-time basis for each consumer who  
25 meets that criteria.

26 (C) The total amount allocated pursuant to paragraphs (A) and  
27 (B) shall be deposited into the fund on a quarterly basis.

28 (2) Each participating regional center shall submit the following  
29 information to the State Department of Developmental Services:

30 (A) Information regarding each consumer who receives  
31 Medi-Cal benefits and is subsequently enrolled in an employer-paid  
32 health benefit plan.

33 (B) Information regarding each consumer who earns a monthly  
34 wage that exceeds the substantial gainful activity level, as  
35 established by the federal Social Security Administration, for at  
36 least nine consecutive months.

37 (3) On and after July 1, 2015, the State Department of  
38 Developmental Services shall allocate funds from the Employment  
39 Growth Fund to supported employment providers who assist

1 consumers to attain either of the thresholds described in  
2 subparagraph (A) or (B) of paragraph (1).

3 (4) The State Department of Developmental Services shall do  
4 all of the following:

5 (A) Annually determine the average cost of providing adult  
6 developmental center services to persons with developmental  
7 disabilities in the regional centers participating in the pilot program  
8 and compare that average cost to the actual cost of providing  
9 supported employment services to consumers in the pilot program.  
10 The department, once it has determined the difference between  
11 those costs, shall allocate to the Employment Growth Fund 50  
12 percent of the savings if the average cost of adult developmental  
13 center services is higher than the actual costs of the supported  
14 employment services provided to any consumer who meets either  
15 threshold described in subparagraph (A) or (B) of paragraph (1).

16 (B) Prepare an annual report regarding the number of persons  
17 with developmental disabilities who receive services from the  
18 participating regional centers as a result of the pilot program and  
19 estimated total cost savings to the state across departments as a  
20 result of the program.

21 (C) Design and implement an evaluation of the pilot program.  
22 If the pilot program results in a 10 percent or greater average annual  
23 increase in the number of individuals who receive habilitative  
24 services through the pilot program being placed in supported  
25 employment, the department shall submit a recommendation to  
26 the Legislature that the program be expanded statewide.

27 (e) This section shall become inoperative on July 1, 2018, and,  
28 as of January 1, 2019, is repealed, unless a later enacted statute,  
29 that becomes operative on or before January 1, 2019, deletes or  
30 extends the dates on which it becomes inoperative and is repealed.

**ASSEMBLY BILL**

**No. 1626**

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**Introduced by Assembly Member Maienschein  
(Principal coauthor: Assembly Member Atkins)  
(Coauthors: Assembly Members Chesbro, Salas, and Weber)**

February 10, 2014

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An act to amend Section 4860 of the Welfare and Institutions Code, relating to developmental services.

LEGISLATIVE COUNSEL'S DIGEST

AB 1626, as introduced, Maienschein. Developmental services: habilitation.

Existing law, the Lanterman Developmental Disabilities Services Act, authorizes the State Department of Developmental Services to contract with regional centers to provide services and support to individuals with developmental disabilities. Existing law requires habilitation services to be provided to an adult who receives services for the developmentally disabled when he or she satisfies specified eligibility requirements. If a consumer is referred for vocational rehabilitation services and placed on a waiting list for certain reasons, the regional center is required to authorize appropriate services for the consumer until services can be provided by the vocational rehabilitation program. Existing law requires providers of individualized or group-supported employment services to be paid at an hourly rate of \$30.82, and requires an interim program provider to be paid a fee of \$360 or \$720, as specified.

This bill would increase the hourly rate paid to providers of individualized and group-supported employment services to \$34.24,

and increase the fees paid to interim program providers to \$400 and \$800, respectively.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 4860 of the Welfare and Institutions Code  
2 is amended to read:

3 4860. (a) (1) The hourly rate for supported employment  
4 services provided to consumers receiving individualized services  
5 shall be ~~thirty dollars and eighty-two cents (\$30.82)~~; *thirty-four*  
6 *dollars and twenty-four cents (\$34.24)*.

7 (2) Job coach hours spent in travel to consumer worksites may  
8 be reimbursable for individualized services only when the job  
9 coach travels from the vendor's headquarters to the consumer's  
10 worksite or from one consumer's worksite to another, and only  
11 when the travel is one way.

12 (b) The hourly rate for group services shall be ~~thirty dollars and~~  
13 ~~eighty-two cents (\$30.82)~~; *thirty-four dollars and twenty-four cents*  
14 *(\$34.24)*, regardless of the number of consumers served in the  
15 group. Consumers in a group shall be scheduled to start and end  
16 work at the same time, unless an exception that takes into  
17 consideration the consumer's compensated work schedule is  
18 approved in advance by the regional center. The department, in  
19 consultation with stakeholders, shall adopt regulations to define  
20 the appropriate grounds for granting these exceptions. When the  
21 number of consumers in a supported employment placement group  
22 drops to fewer than the minimum required in subdivision (r) of  
23 Section 4851, the regional center may terminate funding for the  
24 group services in that group, unless, within 90 days, the program  
25 provider adds one or more regional centers, or Department of  
26 Rehabilitation-funded supported employment consumers to the  
27 group.

28 (c) Job coaching hours for group services shall be allocated on  
29 a prorated basis between a regional center and the Department of  
30 Rehabilitation when regional center and Department of  
31 Rehabilitation consumers are served in the same group.

32 (d) When Section 4855 applies, fees shall be authorized for the  
33 following:

1 (1) A ~~three-hundred-sixty-dollar (\$360)~~ *four-hundred-dollar*  
2 *(\$400)* fee shall be paid to the program provider upon intake of a  
3 consumer into a supported employment program. No fee shall be  
4 paid if that consumer completed a supported employment intake  
5 process with that same supported employment program within the  
6 previous 12 months.

7 (2) A ~~seven-hundred-twenty-dollar (\$720)~~ *An*  
8 *eight-hundred-dollar (\$800)* fee shall be paid upon placement of  
9 a consumer in an integrated job, except that no fee shall be paid  
10 if that consumer is placed with another consumer or consumers  
11 assigned to the same job coach during the same hours of  
12 employment.

13 (3) A ~~seven-hundred-twenty-dollar (\$720)~~ *An*  
14 *eight-hundred-dollar (\$800)* fee shall be paid after a 90-day  
15 retention of a consumer in a job, except that no fee shall be paid  
16 if that consumer has been placed with another consumer or  
17 consumers, assigned to the same job coach during the same hours  
18 of employment.

19 (e) Notwithstanding paragraph (4) of subdivision (a) of Section  
20 4648, the regional center shall pay the supported employment  
21 program rates established by this section.

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**Introduced by Senator Hueso**February 19, 2014

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An act relating to public contracts.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1109, as introduced, Hueso. Public contracts: integrated employment.

Existing law establishes specified requirements applicable to contracts entered into by state agencies, as provided. Existing law establishes a minimum wage for all industries but permits mentally or physically handicapped persons to be employed at less than the minimum wage, under specified circumstances.

This bill would state the intent of the Legislature to enact legislation to provide that the state serve as a model for employers in California in increasing competitive integrated employment for individuals with disabilities by prohibiting the entering into of contracts by the state with organizations that pay employees with disabilities less than the minimum wage.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. It is the intent of the Legislature to enact
- 2 legislation to provide that the state serve as a model for employers
- 3 in California in increasing competitive integrated employment for
- 4 individuals with disabilities by prohibiting the entering into of

- 1 contracts by the state with organizations that pay employees with
- 2 disabilities less than the minimum wage.

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## THE WHITE HOUSE

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### OPPORTUNITY FOR ALL: REWARDING HARD WORK

*Raising the Minimum Wage through Executive Order to \$10.10 for Federal Contract Workers  
& Calling on Congress to Finish the Job for All Workers by Passing the Harkin-Miller Bill*

Today, continuing to fulfill his promise to make 2014 a year of action, the President will sign an Executive Order to raise the minimum wage to \$10.10 for federal contract workers.

The Executive Order the President will sign today will benefit hundreds of thousands of people working under contracts with the federal government who are making less than \$10.10 an hour. It will also improve the value that taxpayers are getting from the federal government's investment. Studies show that boosting low wages will reduce turnover and absenteeism, while also boosting morale and improving the incentives for workers, leading to higher productivity overall. These gains improve the quality and efficiency of services provided to the government.

In his State of the Union Address, President Obama pledged to both take executive action wherever he can and work with Congress to increase opportunity for all Americans. Consistent with that pledge, the President will continue to work with Congress to finish the job to raise the minimum wage for all Americans and pass the Harkin-Miller bill so that all workers can be paid at least a \$10.10 minimum wage.

#### ❖ Details of the Executive Order ❖

- **The Executive Order will raise the minimum wage to \$10.10 effective for new contracts beginning January 1, 2015.** The higher wage will apply to new contracts and replacements for expiring contracts. Boosting wages will lower turnover and absenteeism, and increase morale and productivity overall. Raising wages for those at the bottom will improve the quality and efficiency of services provided to the government.
- **Benefits hundreds of thousands of hardworking Americans.** There are hundreds of thousands of people working under contracts with the federal government to provide services or construction who are currently making less than \$10.10 an hour. Some examples of the hardworking people who would see their wages go up under this Executive Order include nursing assistants providing care to our veterans at nursing homes, concessions workers in National Parks, people serving food to our troops, and individuals with disabilities working to maintain the grounds on military bases.
- **Includes an increase in the tipped minimum wage.** This executive order also includes provisions to make sure that tipped workers earn at least \$10.10 overall, through a combination of tips and an employer contribution. Employers are currently required to pay a minimum base wage of \$2.13 per hour, a base that has remained unchanged for over twenty years, and if a worker's tips do not add up to the minimum wage, the employer must make up the difference. Under the Executive Order, employers are required to ensure that tipped workers earn at least \$10.10 an hour. The Executive Order requires that employers pay a minimum base wage of \$4.90 for new contracts and replacements for expiring contracts put out for bid after January 1, 2015. That amount increases by 95 cents per

year until it reaches 70 percent of the regular minimum wage, and if a worker's tips do not add up to at least \$10.10, the employer will be required to pay the difference.

- **Covers individuals with disabilities.** Under current law, workers whose productivity is affected because of their disabilities may be paid less than the wage paid to others doing the same job under certain specialized certificate programs. Under this Executive Order, all individuals working under service or concessions contracts with the federal government will be covered by the same \$10.10 per hour minimum wage protections.
- **Improves value for the federal government and taxpayers.** One study showed that when Maryland passed its living wage law for companies contracting with the state, there was an increase in the number of contractors bidding and higher competition can help ensure better quality. The increase will take effect for new contracts and replacements for expiring contracts put out for bid after the effective date of the order, so contractors will have time to prepare and price their bids accordingly.

#### ❖ Continuing to Work With Congress, States and Localities to Help All Workers ❖

The President is using his executive authority to lead by example, and will continue to work with Congress to raise the minimum wage for all Americans by passing the Harkin-Miller bill. The bill would raise the Federal minimum wage for working Americans in stages to \$10.10 and index it to inflation thereafter, while also raising the minimum wage for tipped workers for the first time in over 20 years. The President will also continue to support and encourage state, local and private sector efforts to increase wages and help more working families.

- **Businesses like Costco have supported past increases to the minimum wage because it helps build a strong workforce and profitability over the long run.** Low wages are also bad for business, as paying low wages lowers employee morale, encourages low productivity, and leads to frequent employee turnover—all of which impose costs.
- **Across the country, Americans are saying it's time to raise the minimum wage.** The President believes that it's time for action, and people across the country agree. Since the President called for an increase in the minimum wage in last year's State of the Union, five states have passed laws increasing their minimum wage. And many businesses, from small businesses to large corporations, see higher wages as the right way to boost productivity and reduce turnover and therefore boost their profitability.
- **Raising the minimum wage is good for government, good for business and workers and key to a stronger economy.** A range of economic studies show that modestly raising the minimum wage increases earnings and reduces poverty without jeopardizing employment. Higher wages can also boost productivity, increase morale, reduce costs and improve efficiency.
- **Raising the minimum wage will make sure no family of four with a full-time worker has to raise their children in poverty.** It has been seven years since Congress last acted to increase the minimum wage and, adjusted for inflation, today the real value of minimum wage is roughly the same as what it was in the 1950s, despite the fact that the typical American family's income has doubled since then. And right now a full-time minimum wage worker makes \$14,500 a year, which leaves too many

families struggling to make ends meet. Even after accounting for programs like the Earned Income Tax Credit, a family of four supported by a minimum wage worker still ends up living below the poverty line.

- **Indexing the minimum wage to inflation would help lower-income workers keep up in the future.** Since it was first established in 1938, the minimum wage has been increased 22 times, but was eroded substantially over several prolonged periods between increases because of inflation. Indexing would prevent a repeat of the 34 percent decline in the real value of the minimum wage from 1978 to 1989 and the 19 percent decline in real value from 1998 to 2006, as well as the 40 percent decline in the real value of the base wage for tipped workers since it was last raised in 1991. Last year alone, workers earning the minimum wage basically got the equivalent of a \$200 pay cut because the minimum wage stayed the same while the cost of living went up. Democrats and Republicans agree that indexing the minimum wage to inflation would ensure that working families can keep up with expenses. Unfortunately, those families will continue suffer if Congress continues to not act.
- **Helping parents make ends meet.** Around 60 percent of workers who would benefit from a higher minimum wage are women. Less than 20 percent are teenagers. Also, those workers who would benefit from an increase in the minimum wage brought home 46 percent of their household's total wage and salary income in 2011. Raising the minimum wage directly helps parents make ends meet and support their families.



**CPSD**  
*Real lives. Real work.*

Collaboration  
to Promote  
Self-Determination

February 6, 2014

President Barack Obama  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

The Honorable Thomas Perez  
Secretary of Labor  
U.S. Department of Labor  
200 Constitution Ave., NW  
Washington, DC 20210

Dear Mr. President and Secretary Perez:

As national partners of the Collaboration to Promote Self-Determination (CPSD), we were pleased to read that you will soon be issuing an executive order to increase the minimum wage to \$10.10 an hour for federal contract workers. At the same time, we are profoundly concerned by recent statements suggesting that workers with disabilities employed by government contractors with 14c certificates will not be covered by the new \$10.10 minimum wage.

CPSD is an advocacy network of 21 national organizations who have come together to bring about a significant modernization of the federal adult system of services and supports for persons with disabilities.

As you know, many workers with disabilities are employed by government contractors, particularly those associated with the AbilityOne Commission. Government contractors who hold 14c certificates from the U.S. Department of Labor Wage and Hour Division have been permitted to pay less than minimum wage to workers with disabilities. We believe that all Americans should be afforded minimum wage protections, including those workers with disabilities.

Recent statements from the administration have suggested that employees with disabilities working for federal contractors with 14c certificates will be excluded from the new \$10.10/hour minimum wage and will only benefit to a minimal degree in so far as their subminimum wage compensation is increased if the higher minimum wage required by the executive order increases the prevailing wage on which their compensation is calculated. We believe this is fundamentally unjust.

Mr. President and Secretary Perez, all employees of federal contractors should mean all employees, regardless of disability status. In the last several years, we have seen commitments from Rhode Island, Massachusetts, New York and Oregon to phase out the use of sheltered workshops – the primary setting where disabled workers are paid less than minimum wage. Vermont ended the use of both sheltered workshops and subminimum wage employment of people with disabilities in 2003. We believe this progress shows that it is both economically sound and morally just to ensure that people with disabilities have access to the same wage protections as those without. While a broader end to subminimum wage and Section 14c may require an act of Congress, we believe that the Administration has the authority to end the use of subminimum wage for employees of federal contractors immediately, through the use of the same executive order establishing the new \$10.10/hour requirement.

Thank you again for your leadership and for serious consideration of our comments. We stand ready to work with you to align federal policies and financing to achieve the valued goal of integrated, competitive employment for all citizens with disabilities. It is our sincere hope that you do not leave the disability community behind in your forthcoming executive order.

Sincerely,

American Civil Liberties Union

AFL-CIO

Association of Persons in Supported Employment

Autistic Self-Advocacy Network

Autism Society

Bazelon Center for Mental Health Law

Change to Win

Disability Power & Pride

Demos

Institute for Community Inclusion

Japanese American Citizens League

National Association of the Deaf

National Association of State Directors of Developmental Disabilities Services

National Coalition for Mental Health Recovery

National Council on Independent Living

National Down Syndrome Congress

National Fragile X Foundation

National Disability Institute

National Disability Rights Network

National Organization on Disability

National Organization of Nurses with Disabilities

Not Dead Yet

Physician Parent Caregivers

Quality Trust for Individuals with Disabilities

Service Employees International Union

Sibling Leadership Network

TASH

United Spinal Association



